

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

<b>IN RE: NOVARTIS AND PAR ANTITRUST LITIGATION</b>  <b>THIS DOCUMENT RELATES TO: All End-Payor Actions</b>	Case No. 1:18-cv-04361 (AKH)
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**DECLARATION AND REPORT OF REBECCA J. EVANS OF ANGEION GROUP LLC  
REGARDING INITIAL DISTRIBUTION TO CLASS MEMBERS**

I, Rebecca Evans, hereby declare under penalty of perjury as follows:

1. I am a Project Manager at Angeion Group (“Angeion”), a firm with offices in Philadelphia, Pennsylvania, which provides class action and notice administration services. The following statements are based on my personal knowledge and information provided by other Angeion employees working under my supervision, and if called as a witness, I could and would testify competently thereto.

2. Angeion was retained as the Settlement Administrator<sup>1</sup> for the Settlement and appointed by the Court pursuant to the Order Granting End-Payor Plaintiffs’ Unopposed Motion for Preliminary Approval of Proposed Settlement; Certification of Settlement Class; Appointment of Class Counsel and Class Representatives; Preliminary Approval of Plan of Allocation; Approval of Form and Manner of Notice to Class; Appointment of Settlement Administrator and Escrow

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<sup>1</sup> Unless otherwise noted, capitalized terms have the same meaning as in the Class Action Settlement Agreement, which is attached as Exhibit 1 to the Declaration Of Robin A. van der Meulen In Support Of End-Payor Plaintiffs’ Unopposed Motion For Preliminary Approval Of Proposed Settlement; Certification Of Settlement Class; Appointment Of Class Counsel And Class Representatives; Preliminary Approval Of Plan Of Allocation; Approval Of Form And Manner Of Notice To Class; Appointment Of Settlement Administrator And Escrow Agent; And Proposed Schedule For Fairness Hearing (ECF 600).

Agent; and Proposed Schedule for Fairness Hearing, dated May 18, 2023 (the “Preliminary Approval Order”) (ECF 622, ¶16).

3. In accordance with the Court’s Order Setting Schedule for Reports from Class Administrator Angeion Group (ECF 647), this report describes the administration of the Settlement and specifically, the initial distribution to the Consumer Pool pursuant to the Plan of Allocation, which is attached as Exhibit 3 to the Declaration Of Robin A. van der Meulen In Support Of End-Payor Plaintiffs’ Unopposed Motion For Preliminary Approval Of Proposed Settlement; Certification Of Settlement Class; Appointment Of Class Counsel And Class Representatives; Preliminary Approval Of Plan Of Allocation; Approval Of Form And Manner Of Notice To Class; Appointment Of Settlement Administrator And Escrow Agent; And Proposed Schedule For Fairness Hearing (ECF 600).

#### **Claims Review Process**

4. As more fully described in the Declaration and Report of Kevin Flynn regarding the Implementation of Notice Plan and Report on Exclusions, Objections, and Claims Received (ECF 638-1), through August 18, 2023, Angeion received a total of a total of 133,409 paper and electronic claims submissions from potential Class Members. After an initial review of claims, 132,192 were ultimately determined to be from individual consumers (“Consumer Claims”).

5. Angeion completed a thorough review and analysis of Consumer Claims including identifying duplicative, incomplete, or otherwise deficient claims and identifying claims for purchases over \$28,000, which is the maximum amount that Class Counsel determined to use for purposes of evaluating the validity of claims.<sup>2</sup>

6. Consumer Claims were also reviewed through Angeion’s proprietary fraud

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<sup>2</sup> This maximum amount was based on the average monthly cost of Exforge during the Class period times the number of months in the Class Period.

prevention system, AngeionAffirm. This artificial intelligence enhanced fraud detection system identifies fraudulent claims submissions using, among other things, behavioral analysis techniques to determine whether a bona fide class member is entering a claim. After completing the review and analysis described above, 109,850 Consumer Claims were determined to be invalid or deficient, including 125 claims where no purchase amount was claimed, 2,043 duplicative claims, 142 claims submitted for purchases over \$28,000, and 107,540 claims identified as potentially fraudulent.<sup>3</sup> The remaining 22,342 Consumer Claims were determined to be valid and eligible for payment.

### **Deficiency Notification and Review of Responses**

7. On November 20, 2023, Angeion emailed a Notice of Denial to each individual who submitted a Consumer Claim that was initially determined to be invalid or deficient. The Notice of Denial described the reasons for the denial and provided instructions on how to cure their deficient claim by providing additional information and documentation. The Notice of Denial included a deadline to respond within 15 days of the date the Notice was sent (December 5, 2023).

8. As of the date of this declaration, Angeion has received and reviewed approximately 111 emailed deficiency responses and five (5) mailed deficiency responses. After reviewing these deficiency responses, 25 claims were cured of their deficiency. The deficiency responses for the remaining claims were deemed insufficient due to lack of valid or complete documentation.

### **Distribution To Eligible Consumer Claimants**

9. Angeion worked with Class Counsel in determining the amount of the Net Settlement Fund. Accounting for the \$30,000,000 Settlement Amount together with interest earned

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<sup>3</sup> In my experience, in settlements where there is an open class, no documentation is required, and the amount an individual can claim is not capped, there tends to be high proportion of potentially fraudulent claim submissions.

in the amount of \$436,401.04, minus Court-approved attorneys' fees and costs in the total amount of \$12,760,335.77, service awards for the Class Representatives approved by the Court in the total amount of \$50,000, estimated taxes in the amount of \$49,220.74, and a reserve for Angeion's administration fees in the amount of \$343,372, the Net Settlement Fund was calculated to be \$17,233,472.53.

10. The Plan of Allocation at paragraph 2 defines the Consumer Pool to be distributed to Class Members who are individual consumers as 27.8% of the Net Settlement Fund. In accordance with the Plan of Allocation and the Net Settlement Fund of \$17,233,472.53, the Consumer Pool was calculated to be \$4,790,905.36.

11. On December 1, 2023, Angeion reviewed the deficiency responses received to date and determined that a total of 22,358 Consumer Claims with Qualifying Claim Amounts totaling \$13,822,271.10 were eligible for payment. In accordance with the Plan of Allocation, Angeion determined each Eligible Claimant's *pro rata* share of the Consumer Allocation Pool of \$4,790,905.36 by multiplying the total value of the Consumer Allocation Pool by a fraction, for which (a) the numerator is the Qualifying Claim amount for that Eligible Claimant for that Allocation Pool, and (b) the denominator is the sum total of all Qualifying Claim amounts by all Eligible Claimants for that Allocation Pool.

12. The Plan of Allocation at paragraph 18 states that, "[i]n the event that an Eligible Claimant's payment amount calculates to less than \$5.00, it will not be included in the calculation and no distribution will be made to that Eligible Claimant. The awards for a total of 12 Eligible Claimants were calculated to be less than \$5.00 and these payments were not included in the calculation. As a result, a total of 22,346 Consumer Class Members were determined to be eligible to receive an award payment in the initial distribution to Eligible Consumer Claims. Angeion also calculated a reserve fund of approximately 5%, or \$225,108.04, to be set aside for Class Members

with deficient claims who had not yet responded to the Notice of Denial but could potentially cure their claim deficiency and be eligible for payment in the future. Therefore, the award payments available for the 22,346 eligible Consumer Class Members totaled \$4,565,797.35.

13. On December 8, 2023, Angeion mailed award payments to the 22,346 individuals with Eligible Consumer Claims that were eligible for payment as of December 1, 2023, with instructions for the Claimant to cash the checks within 120 days of the date of issue.

14. Additional timely deficiency responses were received and reviewed after December 1, 2023 and six (6) additional Class Members cured their deficiencies and are now eligible to receive award payments. These payments will be mailed within the next two weeks.

#### **Next Steps**

15. Angeion will continue to monitor the settlement website, dedicated email address, and toll-free hotline and respond to general class member inquiries and Claimant requests for information regarding filed claims, Notices of Denial, and issued distribution payments.

16. Angeion will process distribution checks returned as undeliverable and requests from Claimants in the event a distribution check is lost or damaged or otherwise requires reissuance.

17. Angeion is in the process of reviewing claim forms submitted by Third-Party Payor Class Members for completeness and validity. After the claim review process is complete, Angeion will notify Third-Party Payor Class Members with deficient claims of their claim deficiency and the steps to take to resolve the deficiency. Thereafter, we will review and process any deficiency responses received. Angeion estimates that this process will be complete by mid-February, 2024 and that distribution to eligible Third-Party Payor Class Members will commence at the end of February, 2024.

I hereby declare under penalty of perjury that the foregoing is true and correct to the best

of my knowledge.

Signed December 20, 2023, at Marysville, Washington.

  
REBECCA J. EVANS